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Insurer, FEDERAL INSURANCE  
7 COMPANY

8 UNITED STATES DISTRICT COURT  
9 CENTRAL DISTRICT OF CALIFORNIA, WESTERN DIVISION

10  
11 RUBEN JUAREZ, an individual and  
ISELA HERNANDEZ, an individual,

12 Plaintiffs,

13 vs.

14 PRECISION VALVE &  
15 AUTOMATION, INC., a corporation  
and DOES 1-20, ,

16 Defendants.

CASE NO. 2:17-cv-03342-ODW-GJS

**NOTICE OF NULLIFICATION OF  
SETTLEMENT FOR FAILURE TO  
NOTIFY WORKERS  
COMPENSATION EMPLOYER  
PER CALIFORNIA LABOR CODE  
3860(a) AND DECLARATION OF  
BENJAMIN H. SEAL II, LIEN  
HOLDER COUNSEL IN SUPPORT  
OF SAID NOTICE.**

17 Trial Date: None Set

18  
19 DECLARATION OF BENJAMIN H. SEAL II

20 I, Benjamin H. Seal II, declare and state:

21 I am an attorney-at-law and Of Counsel for the law offices Murchison &  
22 Cumming, LLP. who have been retained by Federal Insurance Company to represent  
23 it in connection with a workers compensation lien that has been previously served  
24 upon the parties to this action and has most recently has been filed with this Court. I  
25 am admitted to the practice of law to the Courts in the State of California and have  
26 been admitted to this District Court.

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2. I am one of the attorneys who has been assigned to this case and I am familiar with the issues involved herein and if called as a witness I would so testify.

3. Federal Insurance Company is the workers compensation carrier for Space Exploration Technologies Inc., a.k.a. "SpaceX" who was the employer of the Ruben Juarez, a plaintiff in a personal injury action transferred to and is presently pending in this Court.

4. Mr. Juarez filed a workers compensation claim with Federal Insurance Company in connection with an alleged "on the job injury". In the course of processing Mr. Juarez' claim, an initial expense of \$16,149.96 had been incurred for which both plaintiff and defense counsel were notified on January 18, 2018 of said lien interest. (see attached Exhibit A.)

5. On or about November 2018 the amount had increased to \$28,107.00 for which an amended notice workers compensation lien was served on both plaintiff and defense counsel dated November 15, 2018 and November 16, 2018 (see attached Exhibit B)

6. Since that date I have been in touch with the counsel for plaintiff as to the status of settlement negotiations and have expressed my desire to be a part of any mediation proceedings and to be kept abreast as to settlement negotiations, reminding plaintiff counsel of Federal Insurance Company's lien rights.

7. During a recent check of this Court's docket, this Declarant identified a Notice of Settlement from the parties and the docket entry reporting that the case had been settled. My office had not been notified of the mediation or of the settlement let alone been served with the Notice of Settlement which was filed with this Court.

8. California Labor Code section 3860(a) requires that the Plaintiff notify the lien holder of any settlement to avoid prejudicing its lien rights of recovery. Failure to so notify may nullify the validity of the settlement agreement.

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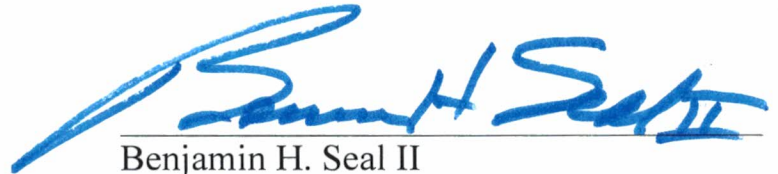
1 9. California Labor Code section 3860 (a) states as follows:

2 " (a) No release or settlement under this chapter, with or without suit, is  
3 valid or binding as to any party thereto without notice to both the  
4 employer and employee with the opportunity to the employer to recover  
5 the amount of compensation he has paid or becomes obligated to pay  
6 and any special damages to which he may be entitled under Section  
7 3852, and the opportunity to the employee to recover all damages he has  
8 suffered and provision for determination of expenses and attorney fees  
9 as herein provided."

10 10. It is submitted that the settlement between the parties is invalid and has  
11 not been finalized and that Plaintiff's action should not be dismissed until the workers  
12 compensation lien issue has been resolved.

13 Executed on this 12th day of March, 2019, at Los Angeles, California.

14 I declare under penalty of perjury of the State of California that the forgoing  
15 statements are true and correct to the best of my knowledge.

16  
17  
18   
19 Benjamin H. Seal II



**PROOF OF SERVICE**

**SPACE EXPLORATION TECHNOLOGIES CORP.  
2:17cv03342-ODW-GJS**

**STATE OF CALIFORNIA, COUNTY OF LOS ANGELES**

At the time of service, I was over 18 years of age and not a party to this action. I am employed in the County of Los Angeles, State of California. My business address is 801 South Grand Avenue, Ninth Floor, Los Angeles, CA 90017-4613.

On March 14, 2019, I served true copies of the following document(s) described as **NOTICE OF PLAINTIFF'S FAILURE TO NOTIFY WORKERS COMPENSATION LIEN HOLDER OF SETTLEMENT PER CALIFORNIA LABOR CODE 3860A AND DECLARATION OF BENJAMIN H. SEAL II, LIEN HOLDER COUNSEL IN SUPPORT OF SAID NOTICE.** on the interested parties in this action as follows:

**SEE ATTACHED SERVICE LIST**

**BY E-MAIL OR ELECTRONIC TRANSMISSION:** Pursuant to the E-Filing System of the United States District Court, Central District District of California, to the parties at the e-mail addresses on the Court's website.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct and that I am employed in the office of a member of the bar of this Court at whose direction the service was made.

Executed on March 14, 2019, at Los Angeles, California.

  
Roxanne Lopez

**SERVICE LIST**  
**SPACE EXPLORATION TECHNOLOGIES CORP.**  
**2:17cv03342-ODW-GJS**

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